Medical Care Advisory Committee

Minutes of Meeting December 18, 2014

Participants

Committee Members Present

Russ Elbel (chair), Andrew Riggle (vice chair), Danny Harris, Lincoln Nehring, Tom Moore (for Warren Walker), Steven Mickelson, Rylee Curtis, Mark Ward, Tina Persels, Kris Fawson (for Debra Mair), Michelle McOmber (by phone)

Committee Members Excused

Jackie Rendo, Debra Mair, Greg Myers, Kevin Burt

Committee Members Absent

Jason Horgesheimer, LaVal Jensen, Donna Singer, Mark Brasher

UDOH Staff

John Curless, Jeff Nelson, Julie Ewing, Shandi Adamson, Tracy Barkley, Rick Platt, Tonya Hales, Kolbi Young, Emma Chacon, Josip Ambrenac, Summer Perkins

Guests

Joyce Dolcourt, Doug Springmeyer, Tomi Ossana, Tracy Altman

Welcome

Nomination of Individuals to Fill Vacancies

There are still seats available on the MCAC for representatives of the Hispanic community, minority business owners, and pharmacists. If anyone has nominations, they should contact Russ Elbel, Michael Hales, or Josip Ambrenac.

Minutes of October 16, 2014 Meeting

Mark Ward moved to approve the minutes of the previous meeting. The motion was seconded and passed.

New Rulemakings

Craig Devashrayee reported on the new rulemakings. His report is attached to these minutes.

Rylee asked whether the PCN change from 100% to 95% FPL is because of the 5% income disregard. Jeff Nelson confirmed that it is.

Steven Mickelson asked about the rules referencing the PCN and UPP programs. Michael said that we hope PCN will sunset in December of 2015 or earlier.

Budget Update

Rick Platt reported on program enrollments.

Steven asked why so many more children were enrolled in November. Rick was not able to give an answer. Rick will find out more about what happened.

Mark Ward asked what the average length of enrollment is in Medicaid. Michael said that historical figures have been run, but nothing has been completed recently. Numbers would likely vary substantially by aid group.

ACO County Expansion

Emma Chacon reported on ACO expansion beyond the four urban counties.

We have had a waiver allowing us to require Medicaid recipients to enroll with a managed care plan in the four Wasatch Front counties. There are currently 198,000 individuals enrolled in an ACO. 12,400 of those are outside the Wasatch Front and have enrolled voluntarily. We are looking at requiring enrollment in some of the other counties. The latest CAP Survey indicates that the overall satisfaction with the ACOs is 84.8%, which is much higher than the satisfaction with commercial plans. We have been able to provide extra services through the ACOs, like care management, and we saw over $17 million in savings.

If we implement this change, we would have to make a change to our 1915(b) waiver. We would need to ensure that our networks were sufficient, especially for those with special health care needs. We would also need an appropriation to pay claims that will continue to come to FFS after clients move to ACOs. There was a building block to provide that, and it was not recommended in the Governor's budget. We will not be moving forward until that appropriation is authorized.

Steven asked what the satisfaction was for other consumers. Emma reported that all of the ACOs and FFS had similar satisfaction rate, ranging from 83% to 87%.

Steven said that clients may not like being required to enroll in managed care. Emma said that the requirement was necessary to stabilize enrollment for the ACOs.

Andrew asked how adequate the networks would be. Emma replied that ACOs are already required to demonstrate network adequacy when they want to expand into a new county, even on a voluntary basis.

Disparity in Child Insurance Rates: Hispanics vs. Non-Hispanics

Lincoln Nehring presented on behalf of Voices for Utah Children.

Lincoln reported that Utah has made great progress in the last decade insuring children, but progress has plateaued in recent years. Work was done to see if there may be other factors inhibiting enrollment and information suggests that ethnicity may be a barrier. Hispanic families are 3 times more likely to be uninsured than non-Hispanics. In Utah, Hispanic families make up 17% of the child population and 40% of those are uninsured. The overall figure in Utah shows 22% of children are uninsured.

Lincoln asked the Department of Health to look at ways to reduce this disparity. He offered the following ideas:

- Restore funding for outreach
- Implement 12 month continuous eligibility

- Remove the 5 year immigration bar for children (Lincoln pointed out that the 5 year bar is now optional for states)

Dr. Cosgrove asked whether there was also a large disparity among pregnant Hispanic women. Lincoln did not have that number.

Russ asked what might be causing that disparity. Lincoln said that 93% of the Hispanic children in the state are citizens, so it's mostly not a question of kids being undocumented. Rylee asked if part of the issue may be with families where some individuals are citizens/legal residents but others in the household may be undocumented, causing the family to not seek available services. Lincoln responded that he was not sure.

Rylee moved to support Lincoln's recommendations. Tina seconded and the motion passed.

Michael pointed out that the funding recommendations require legislative approval.

Russ asked what the State was doing to address these disparities. Michael replied that there is an office within UDOH dedicated to addressing not only health coverage, but healthy behaviors and other lifestyle concerns.

Russ asked whether there were grants available outside of the UDOH to address these disparities. Lincoln said he was not aware of any available money.

Andrew asked whether anyone has had conversations with the Latino/Hispanic community organizations about the obstacles. Danny said that there is a large concern that mixed immigration status will be revealed. Steven recommended that we rely on the Hispanic community take the lead instead of relying on traditional advertising. Tina said she has experience with undocumented parents who don't know that their citizen kids are eligible. She recommended that outreach be done with the schools.

Tom asked whether we could have the ACOs work on outreach. Lincoln said that the ACOs are prohibited from advertising their own plans. The ACO outreach campaign for CHIP came together, but was not very successful. Emma said that the CHIP managed care plans came up with this program and the Department approved it. Michael said that anyone else was free to promote enrollment, as long as it was for Medicaid, not a specific plan and had prior approval by the Department.

Director's Report

Michael Hales gave a detailed report. A copy of the handouts provided has been posted to the MCAC website.

Governor's Budget Proposal

The number one recommendation of the MCAC has been restoration of the adult dental benefit, and that has been included in the Governor's proposal.

The consensus budget process has been much different than in past years. The process removed any "cushioning" and left a 50% chance of staying under or going over budget. The Governor's office is requesting authority for spending out of the Medicaid Restricted Account, which could cover any budget shortfall.

Michael explained that there are two accounts: the Restricted Account and the Stabilization Account. The Restricted Account keeps any unspent balances at the end of the state fiscal year. It has $20-21 million of general funds in it right now. The Stabilization Account created by SB 180 has $17 million in it and represents the savings created by the ACO program. Currently, the Department does not have spending authority over those accounts—we would need legislative authority to use the funds.

The Governor's proposal includes the following:

- The ACA tax on health plans ($1 Million of one-time funding)
- The Healthy Utah administration expense, and the Healthy Utah service costs are included in our budget. Service costs would be a savings in the years where the match rate was 100%.
- We have a $3.5 million recommendation for the MMIS replacement project. This would be the fourth of five installments to get us to the projected budget.
- There is $2 million recommended for nursing home rate increases. This would be an ongoing amount to continue the rate increase which went into effect at the start of the fiscal year.
- The amount for adult dental (aged/disabled populations) is $3,226,000 in ongoing money.
- There is a recommendation for 10 additional slots on the Tech Dependent Waiver.

Andrew asked, if Healthy Utah did not come through, whether the Department has a contingency plan for its budget. Michael said that the Executive Appropriations Committee will work out the differences at the end of the session if Healthy Utah doesn't pass. Andrew also asked what the results have been of the $2 million in additional long term care funding and what might happen to the ongoing money in the future. Michael said that there aren't any cost reports at this time, since we're only 5 months into the fiscal year. We will report on that as soon as the information is available.

Russ asked what the Healthy Utah service cost dollars are for. Michael said that this is for woodwork effect. The projected caseload growth and provider inflation are included in the consensus estimate.

Changes in Legislative Committee Membership

Michael reported that the composition of some of the legislative committees has changed. He read the names of the new members.

Healthy Utah Updates

Michael reported on the Healthy Utah program budget.

Milliman clarified their latest numbers on Healthy Utah. The enrollment numbers did not change, but the program costs did. It's important to note that the 100% match rate is available through FY16 for those who are newly eligible. If we were to cover only up to 100% FPL or only the medically frail, the match rate would be only 70%.

Joyce asked whether most of the people on PCN would qualify as medically frail. Michael replied that PCN eligibility only considers income and insurance, not medical need. However, there are many people on PCN who are awaiting a disability determination and will later be on Medicaid.

The Health System Reform Task Force recommended that the legislature consider the medically frail options only, at 12% and 20%. The Governor's plan and coverage up to 100% FPL were not recommended. Michael pointed out that if the state made medical frailty the qualification for coverage,

then the incentive to become medically frail increases. This creates a lot of questions in terms of incentives and administrative complexity.

Andrew asked how much it was going to cost the program to continually evaluate enrollees. Michael said that we would have to evaluate the plan/criteria to determine how it would be administered, and potential costs associated.

Russ asked whether any other state has expanded for medically frail only. Michael was not aware of any.

PCN Program

We anticipate formal approval to extend the PCN program through 2015. An adjustment was requested to change the income level to 95% FPL to be consistent with the 5% income disregard on the Medicaid program. Should Healthy Utah be accepted, we could then sunset the program. The UPP program is also covered under this waiver authority. UPP assists individuals in buying their employer sponsored insurance. We want to try to maintain this program for families between 133% and 250% FPL who would not qualify for the Healthy Utah program.

Rylee asked whether PCN would be continued if Healthy Utah did not pass. Michael said he is unsure if there would be a desire to continue the program or if the funds currently used for PCN would be directed to a medically frail coverage group.

Moratorium on Nursing Home and Intermediate Care Facilities

The moratorium has been around since the late 80's, initially as an administrative rule before moving into statute. Its intended purpose is to govern the distribution of Medicaid beds throughout the state for both Skilled Nursing Facilities (SNFs) and Intermediate Care Facilities for the Intellectually Disabled (ICFs/ID).

The occupancy rate in the ICFs/ID is usually quite high, often above 90%. This is due to the need of many of these individuals for longer term care than for individuals in SNFs. In some areas of the state we may not have enough capacity to serve all individuals needing service.

To approve a new Skilled Nursing Facility or an Intermediate Care Facility is very challenging because of this moratorium. We have funded transitional care from ICFs/ID to community based care using the Transition Program. The result has been that new ICFs/ID have been able to open more frequently than SNFs. In order to demonstrate the need for a new facility, the Department requires an analysis to be performed and asks the potential provider for names of prospective residents in that community who say they don't have access to care. They have to submit a business case for financial viability as well.

Adjourn

With no further business to consider, the meeting adjourned at 3:40 pm.